3510-DS-P

#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-871]

Finished Carbon Steel Flanges from India: Preliminary Results of Antidumping Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that producers/exporters of finished carbon steel flanges from India (flanges), including R.N. Gupta & Co. (Gupta) and the Norma Group sold subject merchandise at prices below normal value (NV) during the period of review (POR) August 1, 2019, through July 31, 2020.

DATES: Applicable [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Fred Baker, George McMahon, or Margaret Collins, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2924, (202) 482-1167, or (202) 482-6250, respectively.

#### SUPPLEMENTARY INFORMATION:

### **Background**

On August 4, 2020, we published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty order on flanges from India, for the period August 1, 2019, through July 31, 2020. Subsequently, Commerce received timely requests for an administrative review from the petitioners, Gupta, the Norma Group,

<sup>1</sup> See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 85 FR 47167 (August 4, 2020); see also Finished Carbon Steel Flanges from India and Italy: Antidumping Duty Orders, 82 FR 40136 (August 24, 2017) (Order).

<sup>&</sup>lt;sup>2</sup> The petitioners are Weldbend Corporation and Boltex Manufacturing Co., L.P. (collectively, the petitioners).

Bebitz Flanges Works Private Limited (Bebitz), Jai Auto Pvt. Ltd. of India (Jai Auto), Munish Forge Private Limited, Balkrishna Steel Forge Pvt. Ltd., and Aditya Forge Ltd.<sup>3</sup> On October 6, 2020, Commerce initiated an administrative review of the *Order* with respect to 41 companies.<sup>4</sup> On November 12, 2020, Commerce selected Gupta and the Norma Group<sup>5</sup> as the mandatory respondents for this review.<sup>6</sup> On April 27, 2021, Commerce extended the deadline for the preliminary results of this review until August 31, 2021.<sup>7</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>8</sup>

Scope of the *Order* 

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<sup>4</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 85 FR 63081 (October 6, 2020). <sup>5</sup> In prior segments of this proceeding, we determined that Norma (India) Limited; USK Exports Private Limited;

<sup>&</sup>lt;sup>3</sup> See Petitioners' Letter, "Request for Administrative Review," dated August 31, 2020; see also Gupta's Letter, "Finished Carbon Steel Flanges from India: Request for Anti-Dumping Duty Administrative Review," dated August 28, 2020; Norma Group's Letter, "Request for Entry of Appearance in the Anti-Dumping Duty Administrative Review for Norma (India) Limited, USK Export Private Limited, Umashanker Khandelwal and Co. and Bansidhar Chiranjilal," dated August 27, 2020; Bebitz's Letter, "Finished Carbon Steel Flanges from India: Requests for Administrative Review," dated August 28, 2020; Jai Auto's Letter, "Request for Anti-Dumping Duty Administrative Review of Finished Carbon Steel Flanges from India," dated August 31, 2020; Munish Forge Private Limited's Letter, "Finished Carbon Steel Flanges from India: Request for Anti-Dumping Duty Administrative Review," dated August 27, 2020; Balkrishna Steel Forge Pvt. Ltd.'s Letter, "Carbon Steel Flanges from India, Antidumping & Countervailing Duty," dated August 31, 2020; and Aditya Forge Ltd.'s Letter, "Request for Anti-Dumping Duty Administrative Review of Finished Carbon Steel Flanges from India," dated August 31, 2020.

Uma Shanker Khandelwal & Co.; and Bansidhar Chiranjilal should be collapsed and treated as a single entity (the Norma Group). See Finished Carbon Steel Flanges from India: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 82 FR 9719 (February 8, 2017) (Preliminary Determination), and accompanying Preliminary Decision Memorandum at 4-5, unchanged in Finished Carbon Steel Flanges from India: Final Determination of Sales at Less Than Fair Value, 82 FR 29483 (June 29, 2017) (Final Determination); Finished Carbon Steel Flanges from India: Preliminary Results of Antidumping Duty Administrative Review; 2017–2018, 84 FR 57848, 57849 (October 29, 2019), unchanged in Finished Carbon Steel Flanges from India: Final

Results of Antidumping Duty Administrative Review; 2017–2018, 85 FR 21391 (April 17, 2020); Finished Carbon Steel Flanges from India: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2018–2019, 85 FR 83051, 83052 (December 21, 2020), unchanged in Finished Carbon Steel Flanges from India: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2018–2019, 86 FR 33226 (June 24, 2021). In this review, the Norma Group presented evidence that the factual basis on which Commerce made its prior determination has not changed. See Norma Group's Letter, "Finished Carbon Steel Flanges from India: Response to Section A-D of Antidumping Duty Supplemental Questionnaire," dated August 11, 2021 at S1-2 – S1-8. Therefore, in this administrative review, Commerce continues to collapse and treat these four companies as a single entity.

<sup>&</sup>lt;sup>6</sup> See Memorandum, "Antidumping Duty Administrative Review of Finished Carbon Steel Flanges from India: Respondent Selection," dated November 12, 2020.

<sup>&</sup>lt;sup>7</sup> See Memorandum, "Antidumping Duty Order on Finished Carbon Steel Flanges from India: Extension of Preliminary Results of Antidumping Duty Administrative Review; 2019-2020," dated April 27, 2021.

<sup>&</sup>lt;sup>8</sup> See Memorandum, "Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Finished Carbon Steel Flanges from India; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

The merchandise covered by the *Order* is finished carbon steel flanges from India. The product is currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff System of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of merchandise subject to the scope is dispositive.<sup>9</sup>

# Rate for Non-Selected Companies

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Tariff Act of 1930, as amended (the Act). Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

We preliminarily calculated a 0.77 percent dumping margin for Gupta and a 4.38 percent dumping margin for the Norma Group, the mandatory respondents in this review, and we have assigned to the non-selected companies a rate of 2.25 percent, which is the weighted-average of Gupta's and the Norma Group's margins based on public data. For additional information, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public

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<sup>&</sup>lt;sup>9</sup> For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

<sup>&</sup>lt;sup>10</sup> See, e.g., Xanthan Gum from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review, and Partial Rescission; 2018-2019, 85 FR 75686, 74687 (November 23, 2020); Albemarle Corp. v. United States, 821 F. 3d 1345 (Fed. Cir. 2016); Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Preliminary Results of the Administrative Review of the Antidumping Duty Order; 2018-2019, 85 FR 39534 (July 1, 2020); and Memorandum, "Preliminary Results of the Antidumping Duty Administrative Review of Finished Carbon Steel Flanges from India: Calculation of Margin for Respondents Not Selected for Individual Examination," dated August 31, 2021.

document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed at <a href="http://enforcement.trade.gov/frn/index.html">http://enforcement.trade.gov/frn/index.html</a>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as Appendix I to this notice.

## Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Act. Export price is calculated in accordance with section 772 of the Act and NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

## Preliminary Results of Review

As a result of this review, Commerce preliminarily determines that the following weighted-average dumping margins exist for the period August 1, 2019, through July 31, 2020:

Producers/Exporters	Weighted-Average Dumping Margin (percent)
R. N. Gupta & Co., Ltd.	0.77
Norma (India) Limited/USK Exports Private Limited/Uma Shanker Khandelwal & Co./Bansidhar Chiranjilal	4.38
Non-Selected Companies <sup>11</sup>	2.25

#### Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b).

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<sup>&</sup>lt;sup>11</sup> See Appendix II for a full list of non-selected companies.

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

All submissions to Commerce must be filed electronically using ACCESS, and must also be served on interested parties. <sup>14</sup> An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time on the date that the document is due.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.

Pursuant to section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless extended.<sup>16</sup>

#### Assessment Rates

<sup>&</sup>lt;sup>12</sup> See 19 CFR 351.309(c)(1)(ii).

<sup>&</sup>lt;sup>13</sup> See 19 CFR 351.309(d); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

<sup>&</sup>lt;sup>14</sup> See 19 CFR 351.303(f).

<sup>&</sup>lt;sup>15</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>16</sup> See section 751(a)(3)(A) of the Act; see also 19 CFR 351.213(h).

Upon issuance of the final results, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.<sup>17</sup>

For any individually examined respondents whose weighted-average dumping margin is above *de minimis* (*i.e.*, greater than or equal to 0.5 percent) in the final results of this review, we will calculate importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the examined sales to that importer, and we will instruct CBP to assess antidumping duties on all appropriate entries covered by this review. For entries of subject merchandise during the POR produced by each respondent for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate such entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>18</sup> Where either the individually-selected respondent's weighted-average dumping margin is zero or *de minimis*, or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we intend to assign an assessment rate based on the methodology described in the "Rates for Non-Examined Companies" section. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by this review where applicable.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

<sup>&</sup>lt;sup>17</sup> See 19 CFR 351.212(b)(1).

<sup>&</sup>lt;sup>18</sup> For a full discussion of this clarification, see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

The following deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies under review will be the rate established in the final results of this review, except if the rate is de minimis within the meaning of 19 CFR 351.106(c)(1) (i.e., less than 0.50 percent), in which case the cash deposit rate will be zero; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 8.91 percent, the allothers rate established in the less-than-fair-value investigation.<sup>19</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: August 31, 2021.

<sup>19</sup> See Order, 82 FR at 40138.

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James Maeder,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

# Appendix I

# List of Topics Discussed in the Preliminary Decision Memorandum

I.	Summary
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- II.
- III.
- Summary
  Background
  Scope of the *Order*Rates for Non-Examined Companies
  Discussion of the Methodology
  Recommendation IV.
- V.
- VI.

# Appendix II

# **Companies Not Selected for Individual Examination:**

Adinath International
Aditya Forge Limited
Allena Group
Alloyed Steel
Balkrishna Steel Forge Pvt. Ltd.
Bebitz Flanges Works Private Limited
C.D. Industries
CHW Forge
CHW Forge Pvt. Ltd
Citizen Metal Depot
Corum Flange
DN Forge Industries
Echjay Forgings Limited
Falcon Valves and Flanges Private Limited
Heubach International
Hindon Forge Pvt. Ltd.
Jai Auto Pvt. Ltd.
Kinnari Steel Corporation
Mascot Metal Manufacturers
M F Rings and Bearing Races Ltd.
Munish Forge Private Limited
OM Exports
Punjab Steel Works
Raaj Sagar Steels
Ravi Ratan Metal Industries
R. D. Forge
Rolex Fittings India Pvt. Ltd.
Rollwell Forge Engineering Components and Flanges
Rollwell Forge Pvt. Ltd.

SHM (ShinHeung Machinery)	
Siddhagiri Metal & Tubes	
Sizer India	
Steel Shape India	
Sudhir Forgings Pvt. Ltd.	
Tirupati Forge Pvt. Ltd.	
Umashanker Khandelwal Forging Limited	

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